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9 **UNITED STATES DISTRICT COURT**  
10 **CENTRAL DISTRICT OF CALIFORNIA**

11 DANA RUTH LIXENBERG,  
12 Plaintiff,

13  
14 v.

15 BIOWORLD MERCHANDISING, INC.;  
16 et al.  
17 Defendants.

Case No.: 2:15-cv-07242-MWF-MRW  
Hon. Michael W. Fitzgerald Presiding

**PLAINTIFF'S NOTICE OF MOTION  
AND MOTION FOR SUMMARY  
ADJUDICATION**

**[Declarations of Dana Ruth Lixenberg  
Scott Alan Burroughs, Aernoud  
Bourdrez, and Norma Jean Markus;  
Statement of Uncontroverted Facts  
and Law; and [Proposed] Order Filed  
Concurrently Herewith]**

Date: March 6, 2017  
Time: 10:00 a.m.  
Courtroom: First Street Courthouse, 350  
West First Street, Courtroom 5A, Los  
Angeles, California 90012

Discovery Cut-Off: February 6, 2017  
Final Pre-Trial Conf.: May 22, 2017  
Trial: June 13, 2017

1            *TO THE HONORABLE COURT, ALL PARTIES, AND THEIR RESPECTIVE*  
 2            *ATTORNEYS OF RECORD:*

3            PLEASE TAKE NOTICE THAT on March 6, 2017 at 10:00 a.m. in Courtroom  
 4            5A of the courthouse located at 350 West First Street, Los Angeles, California 90012,  
 5            Plaintiff, Dana Ruth Lixenberg, will and hereby does move, pursuant to Fed. R. Civ.  
 6            P. §56, for summary adjudication of the issues of liability for copyright infringement,  
 7            willfulness, and damages as to Defendants Bioworld Merchandising, Inc.  
 8            (“Bioworld”), as well as Citi Trends, Inc., Rue21, Inc., Spencer’s Gifts, LLC,  
 9            Specialty Retailers, Inc., Thrillist Media Group, Inc., Macy’s Retail Holdings, Inc.,  
 10            Forever 21, Inc., Hot Topic, Inc., Target Corporation, Genesco, Inc., Wal-Mart Stores,  
 11            Inc. (“Walmart”), Burlington Coat Factory Direct Corp., Ross Stores, Inc., Sears  
 12            Holding Corp., Shopko Stores Operating Co., LLC, The TJX Companies, Inc., Urban  
 13            Outfitters, Inc. (“Urban Outfitters”), J.C. Penney Corporation, Inc., and Gordmans  
 14            Stores, Inc. (all Defendants referenced herein other than Bioworld will be referred to  
 15            collectively as the “Retailer Defendants”). In sum, Lixenberg moves for summary  
 16            adjudication of issues as to all above-named Defendants.

17            This motion is made on the grounds that there are no triable issues of fact as to:  
 18            (1) Lixenberg’s ownership of the photographs at issue; (2) Defendants’ unauthorized  
 19            copying and exploitation of Lixenberg’s photographs, including without limitation,  
 20            their respective distribution and sale of product bearing said photographs; (3) the  
 21            willfulness of Bioworld and certain of the Retailer Defendants; (4) the inapplicability  
 22            of certain affirmative defenses, including without limitation, apportionment, license,  
 23            and statute of limitations; and (5) Defendants’ revenues as derived from the  
 24            infringement.

25            This motion is based on the attached Memorandum of Points and Authorities, the  
 26            Statement of Uncontroverted Facts, the Declarations filed herewith, the papers and  
 27            evidence on file in this case, and such evidence and argument as may be received at  
 28

1 on reply and at hearing. This motion is made following the conference of counsel  
2 pursuant to Local Rule 7-3, which took place on November 30, 2016 and February 3,  
3 2017. Declaration of Scott Alan Burroughs (“Burroughs Decl.”) ¶1. No resolution  
4 could be reached, necessitating this motion.

5 Respectfully submitted,

6  
7 Dated: February 6, 2017

By:

/s/ Scott Alan Burroughs

Scott Alan Burroughs, Esq.

Justin M. Gomes, Esq.

DONIGER / BURROUGHS

Attorneys for Plaintiff

DANA RUTH LIXENBERG

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## MEMORANDUM OF POINTS AND AUTHORITIES

The Court should adjudicate the issues of copyright infringement, willfulness, and damages in favor of the Plaintiff, Dana Ruth Lixenberg, as set forth below:

### **I. STATEMENT OF FACTS**

In the mid-1990s, a vicious campaign of violence that was later to be coined the “Hip Hop Wars” was raging on both coasts. As part of this conflagration, two popular gangster rappers – Tupac Shakur and Christopher “Notorious B.I.G.” Wallace – were gunned down by unknown assailants in crimes that remain unsolved to this day.

Lixenberg, an acclaimed photographer,<sup>1</sup> is one of few, if not the only, artist to have created compelling professional photographs with these rappers as subjects. Four of Lixenberg’s original works – three of Wallace and one of Shakur – were unlawfully copied by Bioworld Merchandising, Inc. (“Bioworld”) and are at issue in this case (“Subject Photographs”). Lixenberg Decl. ¶1; Exs.1-4.

Ms. Lixenberg created the Shakur photograph at issue in 1993 (“Shakur Photograph”). Lixenberg Decl. ¶3; Ex. 4. Working with Vibe magazine, a then-upstart national publication that covered hip hop in a way once reserved for more established genres, she independently created<sup>2</sup> the Shakur Photograph in Atlanta. Burroughs Decl. ¶2, Ex. 8, Light Deposition (“Light Dep.”), pgs. 113:25-114:12; Lixenberg Decl. ¶3.

Vibe found Lixenberg’s work remarkable and engaged her to photograph a

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<sup>1</sup> Lixenberg received much critical acclaim for her earlier work, such as her striking *Imperial Courts* portfolio. Lixenberg Decl. ¶2. She created this work by embedding with the eponymous Watts housing project and photographing the community with reverence and resonance. *Id.*

<sup>2</sup> In creating the Subject Photographs, Lixenberg made many artistic decisions, including the selection of the Wista Black Metal 4x5 Field Camera and 150mm Schneider lens used, the composition, angling, and positioning of the camera, the focal length, exposure decision, selection and positioning of the subject, the choice of background, lighting, shading, choice of negative area, the instant of exposure, the portrayal of emotional aesthetics, and rendition of the work. *Id.* at ¶4.



1 number of other personalities such as Prince, Curtis Mayfield, and Al Green, as well  
 2 as a rotund former crack-dealer turned gangster rapper named Christopher “Notorious  
 3 B.I.G.” Wallace. Lixenberg Decl. ¶5; Exs. 1-3. In 1996, Lixenberg created three  
 4 particularly compelling photographs that featured Wallace as the subject. (“Wallace  
 5 Photographs”). Id. at ¶6; Exs. 1-3.

6 A short time later, both of the rappers in the Subject Photographs were gone.  
 7 Shakur was shot and killed in Las Vegas on September 13, 1996, and Wallace was  
 8 shot and killed in Los Angeles on March 9, 1997.

9 The Subject Photographs are particularly resonant images. The Shakur  
 10 Photograph was not only published by Vibe in its magazine, but also on its posthumous  
 11 biography of Shakur, where it was displayed unblemished by any text. Ex. 8, Light  
 12 Dep. pgs. 113:16-114:2; Ex. 39. It has gone on to be used in other publications and  
 13 projects and has become iconic. Id.; Lixenberg Decl. ¶7. The Wallace Photographs  
 14 were also well-received. One of the Wallace Photographs, in which he is seen  
 15 thumbing through a thick wad of rubber band-bound currency, became iconic after  
 16 being published in Vibe and other publications (known now as the “counting-money”  
 17 photograph). Lixenberg Decl. ¶6; Ex. 39. The two other Wallace Photographs were  
 18 licensed for editorial use through Corbis, a photography agency, and also enjoyed  
 19 acclaim in the art world and online at sites like [www.mtv.com](http://www.mtv.com) and  
 20 [www.huffingtonpost.com](http://www.huffingtonpost.com). Id. at ¶7; Ex. 39.

21 Lixenberg independently created the Subject Photographs. Id. at ¶1. She  
 22 exclusively owns all rights in and to the Subject Photographs and has registered them  
 23 with the Copyright Office. Lixenberg Decl. ¶1, 8; Ex. 5. In late 2014, Lixenberg  
 24 discovered that shirts and other products bearing the Subject Photographs were being  
 25 sold by mass-market retailers (“Infringing Product”).<sup>3</sup> Lixenberg Decl. ¶9. Bioworld, a  
 26

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27 <sup>3</sup>The defendant retailers that sold Infringing Product and are presently in this lawsuit  
 28 are Citi Trends, Inc., Rue21, Inc., Spencer’s Gifts, LLC, Specialty Retailers, Inc.,  
 Thrillist Media Group, Inc., Macy’s Retail Holdings, Inc., Forever 21, Inc., Hot Topic,



1 Texas garment company, was responsible for manufacturing said product and selling  
 2 it to Retailer Defendants for sale to the public. Id. No Defendant at any time contacted  
 3 Lixenberg to seek authorization to exploit the four Subject Photographs. Id.

4 Lixenberg served cease and desist demand letters on Forever 21, Inc. and  
 5 Macys, Inc., both of which were Bioworld customers for the Infringing Product.  
 6 Bourdrez Decl. ¶¶1-2; Ex. 6, 34. At least one these letters was forwarded by the retailer  
 7 to Bioworld in April 2015. Bourdrez Decl. ¶1. Yet Bioworld failed contact its  
 8 numerous other customers for the Infringing Product to advise them of the claims, and  
 9 continued to sell the Infringing Product until March 2016. Burroughs Decl. ¶4, Ex. 19.

10 Lixenberg never authorized Bioworld to exploit the Subject Photographs.  
 11 Lixenberg Decl. ¶1. The Shakur estate never authorized *anyone* to use the Shakur  
 12 Subject Photograph on any merchandise,<sup>4</sup> and Bioworld was not authorized to copy  
 13 the Wallace Subject Photographs from the internet or from another company's  
 14 infringing garment for use on product. Burroughs Decl. ¶¶5-6, Exs. 9-10, Monjauze  
 15 Dep. pgs. 182:25-183:17, Sokoloff Dep. II pgs. 21:12-23:20; Lixenberg Decl. ¶10. To  
 16 the contrary, Bioworld's rights to exploit the Shakur and Wallace likenesses on  
 17 product were strictly circumscribed by the libraries of photographs provided by estates  
 18 for such use. Exs. 11, 12. These libraries did not include the Subject Photographs. Id.

19 Bioworld's designer, Alex Genovez, unsatisfied with the authorized photograph  
 20 libraries, went online and illegally downloaded the four Subject Photographs from the  
 21 Tumblr website.<sup>5</sup> Burroughs Decl. ¶¶8, 10; Ex. 41, pgs. 15:1-7; 17:1-6, 18:8-12;

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23 Inc., Target Corporation, Genesco, Inc., Wal-Mart Stores, Inc., Burlington Coat  
 24 Factory Direct Corp., Ross Stores, Inc., Sears Holding Corp., Shopko Stores  
 25 Operating Co., LLC, The TJX Companies, Inc., Urban Outfitters, Inc., J.C. Penney  
 Corporation, Inc., and Gordmans Stores, Inc. (collectively "Retailer Defendants").

26 <sup>4</sup> Molly Monjauze, of the Shakur estate testified that it "never sent this photo  
 27 anywhere to anyone with the understanding that it was approved and licensed properly  
 for any use at all ever." See Ex. 9.

28 <sup>5</sup> This website was not authorized by Lixenberg to display the Subject Photographs.  
 Lixenberg Decl. ¶10.

1 19:24-20:4. Bioworld designer Winston Parker made a *second* unauthorized copy of  
2 the “counting money” Wallace Photograph by scanning it from a garment produced by  
3 a company called Changes and sold by Urban Outfitters in 2007. Ex. 10, Sokoloff  
4 Dep. II pgs. 21:12-23:20. This garment was the subject of a copyright claim by  
5 Lixenberg that was resolved in 2008, with Changes and Urban agreeing to no longer  
6 sell the item. Lixenberg Decl. ¶11, Ex. 7; Markus Decl. ¶¶2-6; Ex. 7.

7       Incredibly, approximately 3-4 years after this agreement, Urban Outfitters  
8 employee Mike Tkach met with Parker and the two worked together to duplicate the  
9 infringing garment. Ex. 10, Sokoloff Dep. II, pgs. 21:12-23:20. After scanning the  
10 Changes garment, Bioworld used its design editing program to copy the Lixenberg  
11 photograph on the garment, and exploited that copy along with the downloaded copy.

12       Bioworld engaged in egregious discovery misconduct to conceal this  
13 misconduct. In February 2016 Lixenberg requested that Bioworld disclose the  
14 identities of those responsible for obtaining the Subject Photographs: her  
15 Interrogatories No. 7 and 8 sought the “the identity of the PERSON(s) *that provided*  
16 *the images to YOU*” (No. 7), and requested that Bioworld “IDENTIFY *all witnesses*  
17 *with knowledge or information concerning YOUR obtainment or creation of the*  
18 *ACCUSED IMAGES* and/or purchase, distribution, or sale of SUBJECT  
19 MERCHANDISE” (No. 8)(emphasis added). Receiving no proper response,  
20 Lixenberg filed her *first* Bioworld discovery motion on June 13, 2016. See U.S.D.C.  
21 Dkt. No 103, pgs. 58-69. After oral argument, the Court ordered the parties to confer  
22 and file a joint report regarding the agreement reached. The parties filed a report  
23 indicating the above interrogatories would be fully supplemented by August 9, 2016.  
24 See U.S.D.C. Dkt. No.154 (“Bioworld agreed to provide full supplemental responses  
25 to Interrogatories 1, 3, 7, and 8[.]”). Despite the agreement, Bioworld failed to  
26 disclose Genovez or Parker until the second session of its deposition in late November  
27 2016, at which time Bioworld also admitted that it “trashed” Genovez’s computer and  
28 files at an unknown time for an unknown reason, and that it terminated Genovez in

1 October of 2016, the month **before** his disclosure. Ex. 10, Sokoloff Dep. II at, 59:10-  
2 17; 67:11-20; 56:1-5, 11-13.

3 As justification for the concealment of Genovez (but not Parker), Bioworld  
4 represented to the Court at a subsequent hearing that it had communicated with  
5 Genovez in February of 2016 and December of 2016, and found him not competent to  
6 testify. Bioworld represented that it “did not disclose Genovez because, based on the  
7 information available to it, Mr. Genovez lacks knowledge as to the matters at issue as  
8 a result of his brain injury.” See U.S.D.C. Dkt No. 173, 15:12-14. Bioworld counsel  
9 William Pallares, was unequivocal, expressly stating that he spoke with Genovez and  
10 concluded that Genovez had no recall of the relevant activity, and was not competent  
11 to testify. Burroughs Decl. ¶¶10. No relevant medical records in support of  
12 incompetency have been adduced. Id.

13 No such records exist because Bioword’s justification was a **sham**. Genovez’s  
14 (court-ordered) deposition was held on February 2, 2017, and he recalled with little  
15 difficulty which of the products he created in a 27-page summary of Infringing  
16 Product (Ex. 41 pg. 8-14, *passim*; Ex. 30), which were created by his colleague (Ex  
17 41, pg. 9:8-10), and the website from which he downloaded the four Subject  
18 Photographs (Id., pgs. 15:1-7; 17:1-6, 18:8-12; 19:24-20:4).<sup>6</sup> Id. at ¶ 8, 11; Burroughs  
19 Decl. ¶10; Ex. 41. He recalled communicating with his colleague Adam Sokoloff (Ex.  
20 41, pg. 21:10-14), recalled particularly liking the way the Subject Photographs looked  
21 (Id., *passim*), and recalled that Bioworld had no policy precluding him from  
22 downloading photographs from the internet for use on Bioworld product (Id. pg.  
23 21:22-22:2). His memory of the relevant activity was more than competent, especially  
24 given the acts discussed took place in 2012. Id.

25 One thing he did *not* recall was ever speaking with a lawyer named Bill  
26

---

27 <sup>6</sup> Tellingly, after attending every other deposition in this case (and there have been  
28 many), Pallares had partner, Joseph Campo to attend this deposition. Campo had not  
attended any of the previous depositions in this case.

1 Pallares, though he did recall speaking with a lawyer.<sup>7</sup> Id., pgs. 27:2-13; 24:6-8;  
2 24:18-21. This belied Pallares' statement to the Court that the reason that Genovez  
3 was not identified earlier was due to Bioworld's understanding – as of February 2016  
4 – that Genovez wasn't competent to testify. Indeed, Genovez testified that he did not  
5 discuss this matter with **anyone** before December of 2016 and couldn't recall telling  
6 anyone he wasn't competent to testify. Id., pgs. 23:16-24; 24:18-21. Not only was  
7 Genovez competent, but it is unclear how Bioworld could **possibly** conclude, as was  
8 represented to the Court, that he was unable to testify.

9 Genovez's damaging testimony proved motive: he rebutted Bioworld's sworn  
10 discovery responses and previous testimony asserting that Bioworld downloaded *only*  
11 *two* of the four Subject Photographs, and that the Shakur estate was responsible for  
12 providing to Bioworld the Shakur Photograph. Burroughs Decl. ¶12 Ex. 13.

13 After copying the Subject Photographs onto the Infringing Garments, Bioworld  
14 sold the Infringing Product to the Retailer Defendants, and the Retailer Defendants  
15 sold the Infringing Product to the public. Burroughs Decl. ¶13; Exs. 14-20. Bioworld  
16 admitted that it realized at least \$4,431,807.68 in revenues from the sales of the  
17 Infringing Product (Exs. 14-15,19), and the Retailer Defendants realized an aggregate  
18 of at least \$8,342,894.60 in revenues from their respective sales of that product (Exs.  
19 16-18,20). Id. And these revenues are a result of willful infringement by Bioworld and  
20 certain retailers, each of which continued to sell Infringing Product after notice. Id. at  
21 ¶¶14-21 Exs. 19-29, Lixenberg Decl. ¶9, Ex. 6; Bourdrez Decl. ¶1-2; Exs. 6, 34.

## 22 II. LEGAL BRIEF

### 23 A. Lixenberg meets the summary judgment standard.

24 Summary judgment should be granted if the evidence, when viewed in the light  
25 most favorable to the non-moving party, shows that there is no genuine issue as to any  
26 material fact. Fed. R. Civ. P. §56(c); *Tarin v. County of Los Angeles*, 123 F. 3d 1259,  
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28 <sup>7</sup> Plaintiff's counsel and Genovez spoke in December 2016. Burroughs Decl. ¶11.

1 1263 (9th Cir. 1997). The moving party must shift the burden by presenting evidence  
2 to establish the absence of any issues of material fact, and the non-moving party must  
3 provide specific facts that create a material issue. *Celotex Corp. v. Catrett*, 477 U.S.  
4 317 (1986). A mere scintilla of evidence is insufficient; “there must be evidence on  
5 which the jury could reasonably find for the [non-movant].” *Id.* (quoting *Anderson v.*  
6 *Liberty Lobby, Inc.*, 477 U.S. 242, 252, 106 S.Ct. 2505, 91 L.Ed.2d 202 (1986)). Entry  
7 of summary judgment is appropriate “against a party who fails to make a showing  
8 sufficient to establish the existence of an element essential to that party’s case, and on  
9 which that party will bear the burden of proof at trial.” *Celotex*, 477 U.S. at 322, 106  
10 S.Ct. 2548. No genuine issue of material fact exists as to Lixenberg’s ownership of all  
11 rights in the Subject Photographs or Defendants’ violation of those rights.

12 **B. Bioworld infringed Lixenberg’s rights in the Subject Photographs.**

13 Lixenberg has the exclusive right to “reproduce, distribute, and publicly  
14 display” the Subject Photographs. 17 U.S.C. § 106. To succeed on her copyright  
15 infringement claims, Lixenberg need only establish (1) ownership of the Subject  
16 Photographs; and (2) infringement—that the Infringing Product bears copies of the  
17 Subject Photographs. *Three Boys Music Corp. v. Bolton*, 212 F.3d 477, 481 (9th Cir.  
18 2000 (citation omitted)). Lixenberg establishes copying by showing that Defendants  
19 had an opportunity to “access” the Subject Photographs and that the Subject  
20 Photographs and the Infringing Photographs are “substantially similar.” *Id.* Here,  
21 Lixenberg owns the Subject Photographs and Defendants created and distributed  
22 product bearing unauthorized copies of the Subject Photographs.

23 **1. The Subject Photographs are original and owned by Lixenberg.**

24 Lixenberg’s ownership of a valid copyright in the Subject Photographs and their  
25 registration with the Copyright Office is beyond reasonable dispute. Lixenberg Decl.  
26 ¶¶ 1, 8, Exs. 1-4, 5, 8. The uncontroverted evidence is that Lixenberg produced,  
27 composed, and physically created the Subject Photographs. This element is met.

28 And there can be no reasonable dispute that the Subject Photographs are

original creative works protected by the Copyright Act. *Id.* “Even a slight amount” of originality is sufficient to meet this threshold. *Feist Publications, Inc. v. Rural Tel. Serv. Co., Inc.*, 499 U.S. 340, 345 (1991). The Subject Photographs easily meet this low standard of originality. Indeed, “almost any[ ] photograph” will qualify “merely by virtue of the photographers’ personal choice of subject matter, angle of photograph, lighting, and determination of the precise time when the photograph is to be taken.” *Los Angeles News Serv. v. Tullo*, 973 F.2d 791, 794 (9th Cir. 1992)(citation omitted);<sup>8</sup> see also *Morris v. Guetta*, 2013 WL 440127 at \*3 (C.D. Cal. Feb. 4, 2013)(“even the slightest artistic touch” meets the originality test for a photograph.), *quoting Ets–Hokin v. Skyy Spirits, Inc.*, 225 F.3d 1068, 1076 (9th Cir.2000).Lixenberg’s testimony, the testimony of Vibe magazine’s editor, and the Subject Photographs themselves make clear the test is met.<sup>9</sup>

## **2. Bioworld copied the Subject Artwork and Defendants distributed the Infringing Product.**

Summary adjudication is also appropriate on the second element of Lixenberg’s claim – that copying has occurred. There can be no reasonable dispute that the Infringing Garments bear unauthorized copies of the Subject Photographs. It is also clear that Bioworld and the Retailer Defendants sold and distributed product that bore

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<sup>8</sup> *Tullo* also states that courts “have carefully delineated selection of subject, posture, background, lighting, and perhaps even perspective alone as protectable elements of a photographer’s work.” *Id.* (citations omitted).

<sup>9</sup> And, under 17 U.S.C. §410(c), Lixenberg’s copyright registrations for the Subject Photographs creates a presumption that the works are sufficiently original and owned by Plaintiff. *Lamps Plus, Inc. v. Seattle Lighting Fixture Co.*, 345 F.3d 1140, 1144 (9th Cir. 2003). While the presumption is automatic for works registered within five years of their publication, it is within the court’s discretion when the registration is effected beyond five years. 17 U.S.C. § 410(c)(evidentiary weight “shall be within the discretion of the court.”). “Most courts conclude that untimely certificates constitute prima facie evidence[,]” especially when “the only flaw is the passage of time[.]” *Brighton Collectibles, Inc. v. RK Texas Leather Mfg.*, 2012 WL 6553403, at \*2 (S.D. Cal. Dec. 13, 2012) (citations omitted). The presumption should apply here.



1 unlawful copies of the Subject Photographs. 17 U.S.C. § 106. Copying is proven by  
2 showing that: (1) the Defendants had a reasonable opportunity to view or access the  
3 copyrighted material; and (2) the defendant's work and plaintiff's work are  
4 substantially similar. *Three Boys Music Corp.*, 212 F.3d at 486. Lixenberg satisfies  
5 both of these prongs. The similarities between the Subject Photographs and  
6 photographs on the Infringing Products are so striking that copying is the only  
7 plausible explanation, and there is no evidence of independent creation.

8 Bioworld concedes that it directly copied the Subject Photographs from the  
9 internet, another company's garment, and a digital file of unverified origin. Given the  
10 "direct evidence of copying," there is no need for this Court to engage in the  
11 substantial similarity analysis, which is rendered "irrelevant" by the direct copying.  
12 *Range Road Music, Inc. v. East Coast Foods, Inc.*, 668 F.3d 1148, 1154 (9th Cir.  
13 2012). This is because "[s]ubstantial similarity is not an element of a claim of  
14 copyright infringement. Rather it is a doctrine that helps courts adjudicate whether  
15 copying of the constituent elements of the work that are original actually occurred  
16 when an allegedly infringing work appropriates elements of an original without  
17 reproducing it in toto." *Id.*, 668 F.3d at 1154 (internal quotation marks omitted).  
18 Direct copying is at issue here. But, if the Court finds otherwise, the substantial  
19 similarity analysis makes clear that unlawful copying occurred, as follows:

20 **a. Bioworld had an opportunity to access the Subject Photographs.**

21 To establish access, Lixenberg need only establish that Bioworld or a supplier  
22 had a "reasonable opportunity" to "view the plaintiff's work." *Three Boys Music*  
23 *Corp.*, 212 F.3d at 482, *citing* 4 Melville B. Nimmer & David Nimmer, Nimmer on  
24 Copyright, §13.02[A], at 13-19 (1999). This is done by establishing widespread  
25 dissemination of the works, **or** establishing a chain of events linking the plaintiff and  
26 infringer's works, **or** establishing a striking similarity between the works. *L.A. Printex*  
27 *Indus., Inc. v. Aeropostale, Inc.*, 676 F.3d 841, 846-847 (9th Cir. 2012). This review  
28 of these three bases is holistic as only a "reasonable opportunity" to view is necessary.

**i. The photographs are “strikingly similar.”**

The similarities between the photographs at issue is so striking that access is established on this basis alone. Access should be established when the infringing work is “strikingly similar” to the plaintiff’s work *Three Boys Music*, 212 F.3d at 485, *citing Baxter v. MCA, Inc.*, 812 F.2d 421, 423-424 (9th Cir.1987). To establish striking similarity, Lixenberg “must demonstrate that such similarities are of a kind that can only be explained by copying, rather than by coincidence, independent creation, or prior common source.” *Testa v. Janssen*, 492 F. Supp. 198, 203 (W.D.Pa.1980), *quoting Stratchborneo v. Arc Music Corp.*, 357 F.Supp. 1393, 1403 (S.D.N.Y.1973). Here, the photographs on the Infringing Product are virtually identical copies of the Subject Photographs. See Exs. 1-4, 30. And, Bioworld concedes that it copied the Subject Photographs and that it has no evidence of independent creation. Burroughs Decl. ¶ 23, Ex. 31. Striking similarity should be found.

**ii. The Subject Photographs were widely disseminated.**

The Subject Photographs were published in Vibe magazine, other national publications such as books and magazines, in films and on the internet, and elsewhere before the infringement. Lixenberg Decl ¶¶ 6-7, Ex. 39; Ex. 8, Light Dep. pgs. 113:16-114:2 There can be no dispute that they were widely disseminated.

Widespread dissemination of an allegedly infringed work gives rise to an inference of access. *L.A. Printex*, 676 F.3d at 847-48 (finding distribution of 50,000 yards of a fabric design before infringement created a “reasonable possibility” of access). Here, the widespread distribution of the Subject Photographs in magazines, books, online at [www.mtv.com](http://www.mtv.com), [www.huffingtonpost.com](http://www.huffingtonpost.com), and other sites, through Corbis, a photography syndication agency, and in art projects establishes access. Lixenberg Decl. ¶¶ 6-7; Ex. 39. Indeed, Bioworld’s designers for the Infringing Product admitted that they downloaded the four Subject Photographs and copied one from another company’s garment and another from an unknown digital file. This widespread distribution and concession of copying establishes at least had a

1 reasonable opportunity to view the Subject Photographs.

2 **iii. The chain of events exists or should be presumed.**

3 Bioworld admitted to copying the Subject Photographs from the Tumblr  
4 website. Ex. 41, pgs. 15:1-7; 17:1-6, 18:8-12; 19:24-20:4. This itself establishes the  
5 chain of events. And, to the extent further details are not in the record, such is the  
6 direct result of Bioworld's discovery misconduct, and are details solely available to  
7 Bioworld. When evidence necessary to establish access is solely within the possession  
8 of the infringer, and the infringer does not produce it, proof of access is unnecessary.  
9 *Friedman v. Live Nation Merchandise, Inc.*, 2016 WL 4394585, at \*8 (9th Cir. Aug.  
10 18, 2016) ("this rule [']accords with . . . our general precedent that fairness dictates  
11 that a litigant ought not have the burden of proof with respect to facts particularly  
12 within the knowledge of the opposing party.[']") (citation omitted). Bioworld admits  
13 to copying the Subject Photographs from the internet and another company's  
14 infringing garment and a file of unknown origin, but concealed the identity of the  
15 designers who did the copying, and "trashed" the computer and files of its designer.  
16 So owing, Defendants should bear the burden of showing that what they copied was  
17 **not** her work. There is no such evidence.

18 **b. The photographs are at least substantially similar.**

19 The Infringing Product bears photographs that are at least substantially similar  
20 to the Subject Photographs. The 9<sup>th</sup> Circuit applies a two-part test to ascertain whether  
21 the requisite similarity exists. *L.A. Printex Indus., Inc.*, 676 F.3d at 848 (citation  
22 omitted). The "extrinsic test" is an "objective comparison of specific expressive  
23 elements" that focuses on the "articulable similarities" between the two works[,] and  
24 the "intrinsic test" is a subjective comparison that focuses on "whether the ordinary,  
25 reasonable audience" would find the works substantially similar in the "total concept  
26 and feel of the works." *Id.* (internal quotations and all citations omitted). Notably, it is  
27 not necessary that an accused work be virtually identical to infringe. *L.A. Printex*, 676  
28 F.3d at 851; see also *Universal Pictures Co., Inc. v. Harold Lloyd Corp.*, 162 F.2d

354, 360 (9th Cir. 1947) (“infringement is not confined to literal and exact repetition or reproduction; it includes also the various modes in which the matter of any work may be adopted, imitated, transferred, or reproduced, with more or less colorable alterations to disguise the piracy.”); 17 U.S.C.A. § 106(2)(artist may exclude others from creating derivative works).

**i. Lixenberg satisfies the extrinsic test.**

The extrinsic test is applied by examining the similarities in the respective works’ “objective details in appearance,” including, but not limited to, “the subject matter, shapes, colors, materials, and arrangement of the representations,” as well as the “original selection, coordination, and arrangement of unprotectible elements[,]” which “may be protectible expression.” *L.A. Printex Indus., Inc.*, 676 F.3d at 849 (internal quotations and all citations omitted). It is clear that the Subject Photographs were copied – the composition, lighting, negative space, posture, and appearance of the objective details and elements of the photographs are virtually identical. See Ex. 30. The only difference between the Subject Photographs and the photographs on the Infringing Product is the cruder appearance of the latter, which can be attributed to the photographs on the Infringing Product being low-resolution copies (as opposed to being created from the original negatives) and the fact that the Subject Photographs are printed sharply on film stock or paper and the Infringing Photographs are printed on fabric or other textured product. *Id.* Such differences are to be disregarded when reviewing similarity. *L.A. Printex* 676 F.3d at 851, citing *F.W. Woolworth Co. v. Contemporary Arts, Inc.*, 193 F.2d 162, 165 (1st Cir.1951) (finding differences in subsequent work caused by means of reproduction to be “inconsequential”).

**ii. Lixenberg also satisfies the intrinsic test.**

While the intrinsic test is considered subjective, the Court should still grant summary judgment if it is shown that “the works are so overwhelmingly identical that the possibility of independent creation is precluded.” *Twentieth Century- Fox Film Corp. v. MCA, Inc.*, 715 F.2d 1327, 1330 (9th Cir. 1983). The works here are

1 overwhelmingly identical. A review of the Subject Photographs and the photographs  
2 on the Infringing Product reveals the works' substantial similarity in concept and feel.  
3 Burroughs Decl. ¶25 Ex. 30. Lixenberg's distinctive vision is expressed in the overall  
4 tone, appearance, and feel of the works, and her unique selection and arrangement of  
5 subject matter, lighting, styling, overall composition, and vision is copied in the  
6 Infringing Product, as any reasonable viewer would conclude. *Id.* Her aesthetic gestalt  
7 has been taken, which satisfies this test.

8 **3. The Infringing Products are at least unlawful derivative works.**

9 To the extent there are differences between the Infringing Products and the  
10 Subject Photographs, the former are unlawful derivatives of the latter. It is axiomatic  
11 that a copyright owner has the exclusive right "to prepare derivative works" from her  
12 original work. *DC Comics v. Towle*, 802 F.3d 1012, 1023 (9th Cir. 2015), citing 17  
13 U.S.C. § 106(2). Here, the Infringing Products are unlawful derivative works.  
14 A derivative work is a "work based upon one or more preexisting works that recasts,  
15 transforms, or adapts the preexisting work [...]" *U.S. Auto Parts Network, Inc. v. Parts*  
16 *Geek, LLC*, 692 F.3d 1009, 1015 (9th Cir. 2012). A work that is a modified version of  
17 a pre-existing original work is a "derivative work." 17 U.S.C. § 101. To constitute a  
18 violation of §106(2) the infringing work need only incorporate in some form a portion  
19 of the copyrighted work. *Litchfield v. Spielberg*, 736 F.2d 1352, 1357 (9th Cir. 1984).  
20 Here, Bioworld downloaded, copied, and modified the Subject Photographs to create  
21 the Infringing Products, which Defendants, and each of them, then sold. Burroughs  
22 Decl. ¶¶ 6, 8, Ex. 10, Sokoloff Dep. II pgs. 56:12-58:19; 21:12-23:20. This further  
23 violates the Copyright Act. Summary adjudication of liability should be entered.

24 **C. Bioworld and certain Retail Defendants' infringement was**  
25 **willful.**

26 Defendants not only infringed, but infringed willfully. While not favored,  
27 summary adjudication of the issue of willfulness should be entered in certain  
28 circumstances. *Fodor v. Los Angeles Unified Sch. Dist.*, 2014 WL 12235424, at \*16

(C.D. Cal. June 3, 2014) (“the Ninth Circuit has affirmed a district court’s finding of willfulness on summary judgment where the record demonstrated that the defendant had actual knowledge of its copyright violation), citing *Peer Int’l Corp. v. Pausa Records, Inc.*, 909 F.2d 1332, 1336 (9th Cir. 1990). Willfulness is proper here.

**1. Bioworld willfully infringed.**

Bioworld, a sophisticated apparel company with substantial annual revenues and which has negotiated and executed numerous intellectual property agreements, copied the Subject Photographs from the internet, another company’s infringing garment, and a digital file of unknown provenance. It then used those photographs on millions of dollars’ worth of product. In doing so, did no due diligence to identify the photographer, never contacted the photographer, and failed entirely to obtain authorization for the use. And this copying occurred despite Bioworld’s understanding that permission was required to use such photographs. Bioworld then continued to sell the Infringing Product for more than a year after first receiving notice of the infringement and months after being served with the complaint. This is willful.

Infringement is found willful upon a showing of knowledge, willful blindness, or reckless disregard of infringing activity. *Peer Int’l Corp. v. Pausa Records, Inc.*, 909 F.2d 1332, 1335-36 (9th Cir.1990). Such a showing is manifest here.

To refute evidence of willful infringement, the infringer must not only establish its good faith belief in the innocence of its conduct, it must also show that it was *reasonable* in holding such a belief. *Id.*, 909 F.2d at 1336. citing 3 M. Nimmer & D. Nimmer, *Nimmer on Copyright* § 14.04[B], at 14–40.3 (1989). In this case, the only basis offered by Bioworld is that it had personae agreements with the Shakur and Wallace estates, but this testimony fails to create a triable issue because none of these agreements authorized the use of the Subject Photographs, which were not provided by the estates. Ex. 9, Monjauze Dep. pgs.182:25-183:17; Exs. 11-12. And none of these agreements authorized the use of photographs copied from either the internet or another company’s infringing shirt. On the other hand, Bioworld’s agreements with



1 the estates proves that Bioworld knew that permission was required to use the  
2 photographs, which compels a finding that the infringement was willful. *Id.*

3 And even if a triable issue existed at the time of Bioworld's initial infringement,  
4 it is not so now because Bioworld continued selling the Infringing Product after  
5 receiving *multiple* notices that said product was infringing. *Peer Int'l Corp.*, 909 F.2d  
6 at 1336 (infringer's declaration that it had no "intention to infringe upon the plaintiffs'  
7 copyrights" was insufficient to create a triable issue). Indeed, it is well settled that  
8 willfulness exists where an infringer continued to distribute the work at issue when it  
9 "knew that there was a question as to their ownership," and was "presented with  
10 evidence that [p]laintiff was the true owner[.]" *Dolman v. Agee*, 157 F.3d 708, 715  
11 (9th Cir. 1998). Such is the case here. Bioworld received notice of Lixenberg's claims  
12 as to the Subject Photographs no later than April of 2015 and was served with this  
13 complaint in October of 2015. Burroughs Decl. ¶ 16, Ex. 10, Sokoloff Dep. II, pgs.  
14 15:7-16:5; U.S.D.C. Dkt. No. 14. But, Bioworld continued to sell and ship the  
15 Infringing Product until at least March 7, 2016. Burroughs Decl. ¶ 16, Ex. 21. This  
16 establishes willfulness.

17 **2. The Retail Defendants willfully infringed.**

18 Similarly, certain of the Retailer Defendants continued to market and sell the  
19 Infringing Product after receiving notice of infringement. No Retailer Defendants  
20 have provided any proof of inventory or removal of the Infringing Product from their  
21 sales floors. Burroughs Decl. ¶ 21. Indeed, it appears they just kept selling the  
22 Infringing Product until it sold out. Dates of notice and of continuing sales are set  
23 forth in Exhibit 29. Each of the Retailer Defendants identified in Exhibit 29 is willful  
24 for continuing to infringe after notice.<sup>10</sup> *L.A. Printex Indus., Inc. v. Lia Lee, Inc.*, 2009  
25 WL 789877, at \*7 (C.D. Cal. Mar. 23, 2009) (retailer found willful at summary

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26  
27 <sup>10</sup> And the evidence of Urban's willfulness is even stronger: it knew in 2008 that  
28 Lixenberg owned the "counting money" Wallace Photograph, agreed to cease use of it  
at that time, and thereafter worked with Bioworld to copy the photograph. Ex. 7.

1 judgment stage for continuing to sell infringing product after notice), citing *Peer Int'l*  
2 *Corp.*, 909 F.2d at 1336.

3 **D. The affirmative defense of apportionment is precluded.**

4 Upon a showing of infringement and resulting revenues, an infringer in certain  
5 circumstances may apportion those revenues by identifying other non-infringing  
6 factors that were lawfully responsible for the revenues and are extricable from the  
7 other product's other elements. Where, like here, the infringing products and the  
8 infringed work are inseparable, apportionment is improper. This affirmative defense is  
9 ripe for summary adjudication because, *inter alia*, the infringement was willful and  
10 the Defendant had no lawful right to use what they claim is a basis for apportionment.

11 **1. Willfulness precludes the application of apportionment.**

12 This Court should adjudicate that Bioworld and the other willful Defendants are  
13 precluded from asserting any apportionment defense because the defense is not  
14 available to willful infringers. See *ABKCO Music, Inc. v. Harrisongs Music, Ltd.*, 508  
15 F.Supp. 798, 801 n.10 (S.D.N.Y.1981), *aff'd* 722 F. 2d 988 (2d Cir. 1983)(willful  
16 infringers cannot seek apportionment); *Smith v. Little, Brown & Co.*, 273 F.Supp. 870,  
17 874 (S.D.N.Y.1967), *aff'd*, 396 F.2d 150 (2d Cir.1968)(same, even when infringed  
18 material was a relatively minor portion of the infringing product). *Knitwaves, Inc. v.*  
19 *Lollytogs Ltd. (Inc.)*, 71 F. 3d 996 (2nd Cir. 1995) another case dealing with infringing  
20 garments, illustrates why Defendants cannot establish apportionment here. The  
21 defendant in that case sold a two-piece garment set, one of which bore the infringing  
22 work and the other of which did not. *Id.* at 1010. Defendants argued that the profits  
23 from the blank garment should not be disgorged because that garment did not bear the  
24 infringing design. *Id.* The Court disagreed, denying apportionment of these profits  
25 because, *inter alia*, the defendant was willful in its infringement. *Id.*

26 Apportionment is justly denied to willful infringers because it is an equitable  
27  
28

1 defense.<sup>11</sup> *Data Gen. Corp. v. Grumman Sys. Support Corp.*, 36 F.3d 1147, 1176 (1st  
2 Cir. 1994)(apportionment is “established upon equitable principles”), *abrogated by*  
3 *Reed Elsevier, Inc. v. Muchnick*, 559 U.S. 154, 130 S. Ct. 1237, 176 L. Ed. 2d 18  
4 (2010), citing *Sheldon v. Metro-Goldwyn Pictures Corp.*, 309 U.S. 390, 402, 60 S. Ct.  
5 681, 685, 84 L. Ed. 825 (1940)( “our decisions leave the matter to the appropriate  
6 exercise of the equity jurisdiction upon an accounting[.]”).<sup>12</sup>

7 Willful copyright infringers are consistently denied equitable defenses. *Danjaq*  
8 *LLC v. Sony Corp.*, 263 F.3d 942, 957 (9th Cir. 2001)(while court have “not had  
9 occasion to apply this willfulness exception in the recent past, we have previously  
10 recognized it, and it remains the law of this circuit.”).<sup>13</sup> This denial is “based on the  
11 equitable maxim that [‘]he who comes into equity must come with clean hands[.][’]”  
12 *Id.* at 956, *citing Hermes Int’l v. Lederer de Paris Fifth Ave., Inc.*, 219 F.3d 104, 107  
13 (2d Cir.2000), *quoting Precision Instrument Mfg. Co. v. Auto. Maint. Mach. Co.*, 324  
14 U.S. 806, 814, 65 S.Ct. 993, 89 L.Ed. 1381 (1945), Indeed, “any willful act  
15 concerning the cause of action which rightfully can be said to transgress equitable  
16 standards of conduct is sufficient cause for the invocation of the” doctrine precluding  
17 an equitable defense. *Precision Instrument Mfg. Co.*, 324 U.S. at 815, 65 S. Ct. at  
18 997–98, 89. Thus, willful infringement “closes the doors of a court of equity to one  
19 tainted with inequitableness or bad faith relative to the matter in which he seeks  
20 relief.” *Jarrow Formulas, Inc. v. Nutrition Now, Inc.*, 304 F.3d 829, 841 (9th Cir.

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21  
22 <sup>11</sup> Though the defense is equitable in nature, it is addressed in connection with the  
23 calculation of damages by a jury.

24 <sup>12</sup> While most decisions address a plaintiff’s conduct when addressing application of  
25 the doctrine, the reasoning should apply equally to a defendant’s conduct in  
26 connection with an affirmative defense (on which defendant bears the burden).

27 <sup>13</sup> See also *Atari Games Corp. v. Nintendo of America, Inc.*, 975 F.2d 832, 846  
28 (Fed.Cir.1992) (“The Ninth Circuit has noted that doctrine of unclean hands can also  
preclude the defense of copyright misuse.”); 4 Nimmer § 13.09[B] at 13–295  
(equitable defense “should be denied ... when the defendant has been guilty of conduct  
more unconscionable and unworthy than the plaintiff’s.”).

2002) (citation omitted). The willful Defendants, in order to seek apportionment, must have “acted fairly and without fraud or deceit as to the controversy in issue.” *Adler v. Fed. Republic of Nigeria*, 219 F.3d 869, 877 (9th Cir.2000) (internal quotation marks omitted). Here, Bioworld and many of the Retailer Defendants did not act fairly, and committed willful infringement, which is by definition and on its face a “willful act.” The defense should be precluded.

**2. Apportionment is precluded where infringer did not have the right to use the material for which apportionment is sought.**

Apportionment based on the use of the personae of Shakur and Wallace must also be precluded because Bioworld did not have the right to depict Shakur and Wallace as it did on the Infringing Product. The estates of Wallace and Shakur,<sup>14</sup> through agents, at most authorized Bioworld to use the personae of Wallace and Shakur **only** as set forth in the library of photographs provided by each estate. Exs. 11-12. The evidence establishes that Bioworld had no right to use the personae of Shakur and Wallace as depicted in the Subject Photographs. Such use by Bioworld violates California Civil Code 3344.1(a)<sup>15</sup> and cannot be the basis for apportionment.

Surely, an infringer cannot seek apportionment, an equitable defense, based on material that the infringer uses in violation of a third party’s rights. Here, Bioworld exploited the Wallace persona outside of the scope of its agreement by seeking out and exploiting unlicensed photographs of Wallace. And Bioworld has not produced any contract that authorizes it to exploit the Shakur persona at all, let alone one that allows it to exploit the Shakur likeness as depicted in the Subject Photograph. Ex. 12. Indeed, Shakur’s estate *denies* granting Bioworld the right to use the Shakur persona

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<sup>14</sup> Notably, Bioworld has failed to produce any executed agreement with the Shakur estate. Ex.12, Burroughs Decl. ¶ 26.

<sup>15</sup> This section provides: “[a]ny person who uses a deceased personality's name [...] or likeness, in any manner, on or in products, merchandise, or goods [...] without prior consent from the [decedent’s successor or successors in interest], shall be liable for any damages sustained by the person or persons injured as a result thereof.”

1 as set forth in the Shakur Photograph. Apportionment should be denied because  
2 Bioworld did not have the right to use the Wallace and Shakur personae as depicted  
3 on the Infringing Product.

4 **3. Bioworld concealed the identity of its designers and destroyed**  
5 **records, which should preclude any defense predicated on Genovez**  
6 **or Parker’s use of the Shakur or Wallace likenesses.**

7 Bioworld’s discovery misconduct, as set forth above, precludes it from offering  
8 any defense relating to the deployment of the Wallace or Shakur likenesses by  
9 Genovez or Parker. This would include any apportionment defense. As discussed  
10 above and in previously submitted papers,<sup>16</sup> Bioworld concealed the identities of  
11 Genovez and Parker, despite a motion to compel and stipulation filed with the Court  
12 stating that such identities would be produced. And, Bioworld “trashed” Genovez’s  
13 computer and files, terminated him, and then engaged in a fraudulent cover-up and  
14 *post facto* justification for the concealment. Ex. 10, Sokoloff Dep. II, pg. 67:11-20.  
15 This misconduct included oral and written misrepresentations to the Court and  
16 requires severe sanction.

17 Federal Rule of Civil Procedure 26(a)(1)(A)(i) requires the disclosure of any  
18 witness “that the disclosing party may use to support its claims or defenses.” *Hill v.*  
19 *U.S. Dep’t of Homeland Sec.*, 570 F. App’x 667, 669 (9th Cir. 2014). Bioworld has  
20 asserted an apportionment defense, which relies on Parker and Genovez’s use of the  
21 personae of Shakur and Wallace on product. Failing to timely disclose these witnesses  
22 violated this section and Bioworld’s late disclosure, in its fourth supplemental  
23 discovery responses does “not cure this non-compliance.” *Id.*, citing *Henry v. Gill*  
24 *Indus., Inc.*, 983 F.2d 943, 947 (9th Cir.1993). This failure to timely disclose  
25 Genovez and Parker<sup>17</sup> has not been harmless, as Lixenberg was deprived of obtaining  
26

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27 <sup>16</sup> See **Exhibit 32** for brief and Court Order.

28 <sup>17</sup> Bioworld presents no justification not identifying Parker until November 2015.

1 their depositions until after she filed two motions to compel, and was forced to  
2 conduct those depositions during the last week of the discovery period. This requires  
3 the granting of relief. *Id.* (late disclosure of crucial witness, even though before the  
4 discovery cut-off, was not harmless). This failure should preclude Bioworld from  
5 presenting any apportionment defense. *Id.* (granting motion to exclude defense  
6 because witness identity was concealed).

7 Bioworld’s “trashing” of what could have been the source of crucial evidence in  
8 this case – the computer, software, and files used by Genovez to develop the  
9 Infringing Product – also requires sanction. *Leon v. IDX Sys. Corp.*, 464 F.3d 951,  
10 959 (9th Cir. 2006) (willful spoliation exists if the party has “some notice that the  
11 documents were potentially relevant to the litigation before they were  
12 destroyed.”)(citation omitted). And, “because “the relevance of ... [destroyed]  
13 documents cannot be clearly ascertained because the documents no longer exist,” a  
14 party “can hardly assert any presumption of irrelevance as to the destroyed  
15 documents.” *Id.*, citing *Alexander v. Nat’l Farmers Org.*, 687 F.2d 1173, 1205 (8th  
16 Cir.1982). Bioworld’s destruction of Genovez’s computer and files, which may have  
17 included download data and design files, warrants sanction.

18 And Defendants’ discovery misconduct goes further. Four of Bioworld’s  
19 primary witnesses (Parker, Mallis, Taylor, Mayes) stated at their February 2017  
20 depositions that they had *not even been asked to look* for documents or information  
21 related to discovery in this case (one, Mayes stated he looked for documents on his  
22 own volition and another, Carrie Mallis, stated that her charge was to search for  
23 emails between her and Rick Barlowe). Burroughs Decl. ¶ 28.

24 The discovery rules are in place to prevent just the sort of gamesmanship  
25 engaged in by Bioworld here. *Guzman v. Bridgepoint Educ., Inc.*, 305 F.R.D. 594, 605  
26 (S.D. Cal. 2015)(without sanctions, “[p]arties would be free to engage in the sort of  
27 “gamesmanship” Rule 26 intends to prevent by hiding witnesses and evidence[.]”),  
28 citing Fed.R.Civ.P. 26 advisory committee's note (1993). Bioworld’s concealment and



1 spoliation violates not only the letter but the “spirit of Rule 26.” *Id.*, citing *Thomas v.*  
2 *Old Town Dental Grp., P.A.*, 300 F.R.D. 585, 589 (S.D.Fla.2014) (failure to sanction  
3 misconduct “would permit litigants to easily hide unfavorable witnesses with  
4 impunity”). Given the concealment and destruction and misconduct, Bioworld should  
5 be precluded from arguing that any profits from the Infringing Product should be  
6 apportioned based on its designers’ use of the Shakur and Wallace likenesses.

7 **4. Bioworld concedes that there is no proper basis for apportionment.**

8 Bioworld is responsible for commingling the infringing and non-infringing  
9 elements in the Infringing Product, and thus “must abide the consequences, unless [it]  
10 can make a separation of the profits so as to assure to the injured party all that justly  
11 belongs to him.” *Sheldon v. Metro-Goldwyn Pictures Corp.*, 309 U.S. 390, 406, 60  
12 S.Ct. 681, 687, 84 L.Ed. 825 (1940). Bioworld cannot make this showing.

13 This is especially true given that apportionment is proper only when “the  
14 evidence suggests some division which may rationally be used as a springboard” for  
15 apportionment.” *Cream Records, Inc. v. Jos. Schlitz Brewing Co.*, 754 F.2d 826, 829  
16 (9th Cir. 1985), citing *Orgel v. Clark Boardman Co.*, 301 F.2d 119, 121 (2d  
17 Cir.1962)(“the defendants must be content to accept much of the embarrassment  
18 resulting from mingling the plaintiffs’ property with their own.”). Here, the Infringing  
19 Products are integrated garments, in which all elements have been intermingled to the  
20 point of merging. Per *Sheldon*, Bioworld must “abide the consequences” of this  
21 intermingling.

22 Bioworld’s witnesses testified that apportionment was not possible for the  
23 Infringing Product because one can’t extract the persona of a celebrity from his  
24 photograph or a product bearing his photograph. Burroughs Decl. ¶ 29, Ex. 33,  
25 Hessong Dep. pgs. 159:12-160:17; Ex. 40, Sokoloff Dep 27:22- 28:1 Unlike an album  
26 with ten songs, which a consumer may buy because they like one particular song, the  
27 garments and products at issue are integrated and not subject to division. For this  
28 reason, there simply is no reasonable basis on which to divide the elements of the

1 product. And this concession is echoed in Bioworld’s discovery response, which fails  
2 to set forth any percentages or state anything other than its belief that the Wallace and  
3 Shakur persona are relevant. Id, ¶30 Ex. 35 (No. 16, pgs. 12-13).

4 **5. Apportionment cannot exceed the amount paid by Bioworld.**

5 In the alternative, Bioworld should be precluded from seeking apportionment in  
6 any amount above \$901,171.44, which it asserts is the amount it paid to the estates to  
7 use the personae at issue. See *Baisden v. I'm Ready Prods., Inc.*, No. 4:08-CV-00451,  
8 2010 WL 3766533, at \*8 (S.D. Tex. Sept. 22, 2010) (such a basis has “a rational  
9 foundation.”); Burroughs Decl. ¶ 31, Ex. 36.

10 **E. The license defense fails.**

11 License is an affirmative defense and must be pled. Bioworld’s answer asserts  
12 as a defense that its use of the Subject Photographs was lawful because Lixenberg  
13 licensed other parties to use the Subject Photographs. See U.S.D.C. Dkt. No. 80, 9:8-  
14 16. Bioworld’s answer does **not** assert the defense that anyone other than Lixenberg –  
15 such as Remrylie or the estates – provided a license to use the works. As such, the  
16 defense is waived to the extent it relates to third-party licenses. *Worldwide Church of*  
17 *God v. Philadelphia Church of God, Inc.*, 227 F.3d 1110, 1114 (9th Cir. 2000)  
18 (infringer did not plead defense so cannot assert it in response to a summary judgment  
19 motion)(citations omitted). This leaves Bioworld with the burden of establishing that  
20 Lixenberg authorized the use, a burden it cannot discharge, especially given that  
21 copyright licenses are construed to prohibit any use not expressly authorized. *S.O.S.,*  
22 *Inc. v. Payday, Inc.*, 886 F.2d 1081, 1088 (9th Cir. 1989). There is no evidence of any  
23 such license.

24 **F. The statute of limitations defense fails.**

25 Lixenberg filed this case within three years of discovering the infringement,  
26 well within the statute of limitations. As such, she may recover all infringing revenues  
27 generated from infringing sales, not just those from the three-year period before the  
28 complaint filing. It is settled that “the statute of limitations does not prohibit recovery

1 of damages incurred more than three years prior to the filing of suit if the copyright  
2 plaintiff was unaware of the infringement, and that lack of knowledge was reasonable  
3 under the circumstances.” *Polar Bear Productions, Inc. v. Timex Corp.*, 384 F.3d 700,  
4 706 (9<sup>th</sup> Cir. 2004). Where, as here, a plaintiff does not and reasonably could not have  
5 discovered the infringement at issue before the commencement of the three-year  
6 limitation period, damages are permitted outside the three-year window. *Id.*, *see also*  
7 *UMG Recordings Inc. v. Global Eagle Entertainment, Inc.*, 2016 WL 345179  
8 (C.D.Cal. Apr. 20, 2016) (granting summary judgment and dismissing statute of  
9 limitations defense). Because Plaintiff discovered the infringement at issue in late  
10 2014, tried unsuccessfully to resolve it, and then filed the case in September 2015, and  
11 no evidence indicates she discovered (or should have discovered) it earlier, the  
12 defense fails.

13 Defendants’ invocation of the defense appears to rely on an *unrelated*  
14 company’s infringement in 2007-2008. There, a company named Changes created an  
15 infringing shirt that bore one of Lixenberg’s Wallace Photographs and sold those  
16 garments to Urban Outfitters. Lixenberg Decl., ¶ 11, Ex. 7. Upon discovery of the  
17 infringement, Lixenberg and her agent contacted Changes, Urban, and the Wallace  
18 estate, and reached an agreement that the garments would no longer be sold and that  
19 no future product bearing Lixenberg’s photographs would be sold without her express  
20 prior authorization. The Changes products are not at issue in this case, and that dispute  
21 has nothing to do with the instant case other than that years later a Bioworld employee  
22 allegedly scanned and copied portion of the infringing Changes garment.

23 **G. Defendant revenues from sales of the Infringing Product are set.**

24 After liability is determined, the question of damages will be given to the jury.  
25 One element of damages is the profits earned by the Defendants through the  
26 infringement. “In establishing the infringer’s profits, the copyright owner is required  
27 to present proof only of the infringer’s gross revenue[...].” 17 U.S.C. § 504(b). Here,  
28 Plaintiff has proven the infringers’ gross revenues, as set forth in the attached Exhibits

14-18. Burroughs Decl. ¶ 13, Exs. 14-18. There can be no reasonable dispute as to the infringers' gross revenues – indeed, the sales numbers are those of Defendants.

**H. Lixenberg is entitled to costs of proof.**

Lixenberg should recover her costs of proof in an amount to be determined via further briefing as set by the Court. Federal Rules of Civil Procedure Rule 37(c) mandates the recovery of the reasonable expenses incurred in proving a matter that a party fails to admit in response to a request for admission. *Marchland v. Mercy Medical Center*, 22 F.3d 933, 936 (9th Cir.1994) (rule “mandates an award of expenses unless an exception applies.”). Discovery responses should admit a request to the fullest extent possible, and explain in detail why other portions of a request may not be admitted. *Holmgren v. State Farm Mutual Automobile Insurance Company*, 976 F.2d 573, 579–81 (9th Cir.1992) (expenses awarded under Rule 37(c) for failure to properly qualify denials). Here, Bioworld denied the following requests for admission (“RFA”s), which go to the heart of the case, and did not qualify its responses:<sup>18</sup> **RFA No. 9:** Admit that YOU have no evidence to establish that the SUBJECT PHOTOGRAPHS are owned by any PERSON other than Plaintiff; **RFA No. 12:** Admit that YOU do not have a license or written agreement to use SUBJECT PHOTOGRAPHS in any way; **RFA No. 15:** Admit that YOU received notice of the alleged infringement at issue in this action from Plaintiff before the initiation of this lawsuit; **RFA No. 25:** Admit that YOU did not obtain a transfer of rights from any party that allowed YOU to use the images incorporated in the SUBJECT MERCHANDISE. See Exhibit 37(A).

Bioworld engaged in scorched earth discovery tactics in an attempt to substantiate these denials—it served at least twenty-nine (29) subpoenas (including subpoenas for Wallace’s mother and daughter), held numerous depositions (including

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<sup>18</sup> Additional RFAs were improperly denied by Bioworld, as well as Walmart and Urban Outfitters. See Ex. 37, parts A (Bioworld), B (Walmart) and C (Urban).

1 Plaintiff twice), and served at least five thousand pages of documents, as well as  
2 massive amounts of electronic data, all of which had to be reviewed to investigate the  
3 above denials. Burroughs Decl. ¶ 33, Ex. 38.

4 Unless Bioworld “acted reasonably in believing that it might prevail[.]”  
5 regarding the fact in dispute, an award of expenses is mandated. *Marchand*, 22 F.3d at  
6 937 (citation omitted). Bioworld did not act reasonably. No evidence ever supported  
7 any of the above denials, and all evidence supported admission. Burroughs Decl. ¶ 33,  
8 Ex. 37 (A). Yet, Bioworld maintained its position despite all evidence.

9 Hundreds of thousands of dollars in costs and attorneys’ fees could have been  
10 avoided had Bioworld undertaken a good faith inquiry into Lixenberg’s requests and  
11 provided clear and complete responses to these requests. *Washington State Physicians*  
12 *Insurance Exch. and Ass’n v. Fisons Corp.*, 122 Wash.2d 299, 858 P.2d 1054, 1084  
13 (1993) (rejecting argument that discovery request was not specific enough); *Milgram*  
14 *Food Stores, Inc. v. United States*, 558 F.Supp. 629, 636 (W.D.Mo.1983) (if party  
15 unable to agree with exact wording of request for admission, it should agree to an  
16 alternate wording or stipulation). And Bioworld failed to “set forth in detail the  
17 reasons why [it could not] truthfully admit or deny the matter.” Fed.R.Civ.P. 36(a).  
18 Per Rule 37(c). So owing, Lixenberg should recover her costs of proof in an amount to  
19 be established through subsequent briefing.

### 20 **III. THIS MOTION SHOULD BE GRANTED**

21 For all of the foregoing reasons, Lixenberg respectfully requests that the Court  
22 grant this motion as set forth in the attached proposed order.

23 Respectfully submitted,

24  
25 Dated: February 6, 2017

26 By: /s/ Scott Alan Burroughs  
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